

News Release

For Immediate Release

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Austin leaders create engine for innovation in health and creative industries

AUSTIN — Capitalizing on the healthcare transformation already underway in Austin, community leaders have created a new non-profit entity to foster the development of an Innovation Zone on the eastern edge of downtown, Sen. Kirk Watson and Austin Mayor Steve Adler announced Friday.

Capital City Innovation, Inc., the newly formed non-profit, will help established businesses and enterprising start-ups become part of the health ecosystem that is developing around the Dell Medical School at The University of Texas at Austin and a new modern teaching hospital. Leaders also expect to build on creativity already occurring in the vicinity to spur innovation in sectors beyond healthcare.

Founding Members of Capital City Innovation include The University of Texas at Austin, Central Health and Seton Healthcare Family, a member of Ascension. Four other board members may be named from the community and Mayor Steve Adler and Travis County Judge Sarah Eckhardt will serve as Advisory Members.

"Capital City Innovation will ensure the whole community benefits from the research and opportunities that will originate from this hub of innovation," said Sen. Watson, who was named chairman of the Innovation Zone Working Group in 2014 by then-Mayor Lee Leffingwell.

The creation of the non-profit stems from the recommendations of the Innovation Zone Working Group as the next step toward launching the Innovation Zone.

The Innovation Zone is anchored by the University of Texas, a Tier-1 research university and its new Dell Medical School, which is re-thinking medical education; Dell Seton Medical Center at the University of Texas, a 21st Century teaching hospital; and

the Central Health Brackenridge Campus, which is being redeveloped to maximize creativity and collaboration and to meet Central Health's mission of providing needed care to our community.

"Austin is already known for its innovation and creativity. Creating this locomotive for an Innovation Zone is Austin's message to the world that we're taking a new step forward to galvanize the innovative opportunities," Mayor Adler said.

Dr. Clay Johnston, inaugural Dean of the Dell Medical School, said Capital City Innovation will help the community take full advantage of the strengths of academia and industry — both in bringing together people who think differently about health and medicine, and in transforming healthcare in ways that benefit people in every part of the community, including those who have been underserved historically.

Transforming the health of our community as well as our economy was the dual promise made to voters in 2012 when they approved Proposition 1. The development of the Innovation Zone is another vehicle for fulfilling that promise, Sen. Watson said.

At the heart of the Innovation Zone sits the 14.3-acre Central Health Brackenridge Campus, which is located immediately south of the medical school and teaching hospital and is currently home to University Medical Center Brackenridge (UMCB) hospital. Central Health, the Travis County healthcare district dedicated to providing healthcare to low-income and uninsured residents, is working with community, nonprofit, education and government partners as it plans to redevelop this property after UMCB's operations relocate to the new teaching hospital in 2017.

"The Innovation Zone will be a catalyst for improving the health of our entire community and will further advance Central Health's redevelopment of our Brackenridge Campus — one of the most innovative mixed-use projects in our community's history," said Patricia Young Brown, Central Health president and CEO. "The redevelopment will create a place where people work, live, eat, and play while also supporting Central Health's mission."

It has been projected that the combination of a new teaching hospital and medical school on the campus of a major research university will create roughly 15,000 new jobs, about 60 percent of which will require two years of college or a training certificate.

"At the Dell Seton Medical Center at The University of Texas, doctors will mentor new doctors, conduct groundbreaking research and implement new treatments. Through education, training and research, it will be a vital link to the future of care in our community, from innovation to implementation, bench to bedside," said Jesús Garza, president and CEO of Seton and senior vice president of Ascension Health-Texas Ministry Market Executive.

Initially, the Innovation Zone will run from Martin Luther King, Jr. Boulevard along the

UT campus on the north to Lady Bird Lake on the south, and from Interstate 35 on the east to Trinity Street on the west. This area of downtown enjoys lots of creativity, including Capital Factory and other innovative groups and companies.

Gregory L. Fenves, president of The University of Texas at Austin, said the university sees the Innovation Zone as an opportunity for the entire campus.

"The University of Texas at Austin is a strong supporter of the Innovation Zone. It offers valuable opportunities for students to take what they learn in the lab or classroom and apply that to real world experiences with companies close by," said Fenves. "Imagine the new ideas, especially in the biotech and health tech sectors, that could bloom in the Innovation Zone. Imagine the tremendous benefits that the entire city of Austin would experience."

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Timeline of Capital City Innovation, Inc.

September 2011

Senator Kirk Watson laid out 10 Goals in 10 Years, a community vision for healthcare and economic prosperity. A medical school at UT, a 21st Century teaching and safety net hospital and healthcare innovation were key components of that vision.

November 2012

The voters of Travis County embraced that vision and approved Central Health's Proposition 1, a property tax increase to invest in the community's health.

November 2013

Austin Mayor Lee Leffingwell, in consultation with Senator Watson, established the "Innovation Zone Working Group" to study how best to stimulate innovation, creativity and economic activity in the northeast quadrant of downtown that would be home to the new medical school and modern teaching hospital as well as Central Health's adjacent 14-acre property that was slated for redevelopment.

The Innovation Zone Working Group included representatives from the City of Austin, The University of Texas at Austin, Central Health, Austin's technology and entrepreneurial communities, economic development organizations, homeless advocates, St. David's Hospital, the Austin Music Commission and the Waller Creek Conservancy.

2013-2015

Various individuals from Austin, representing diverse constituencies, visited and studied other innovation districts, such as Kendall Square in Cambridge, Mission Bay in San Francisco and the MaRS Discovery District in Toronto.

February 2014

Central Health engaged Gensler and, working through a Central Health Board Ad Hoc Committee, began the master planning process for its property located across 15th Street from the new medical school, research building, medical office building and teaching hospital.

September 2014

Through the City of Austin's Chief Innovation Officer, the Innovation Zone Working Group engaged Upstream to help define concrete next steps.

August 2015

The LBJ School of Public Affairs at UT Austin issued a report entitled Austin Anchors & the Innovation Zone: Building Collaborative Capacity. The report concluded that "Austin's anchor institutions can help ensure that all of Austin's residents benefit from the economic, environmental, and cultural features that make it one of the nation's most attractive cities."

Upstream found a clear consensus among key anchor institutions and interested innovation community representatives that the new medical district, in particular the Dell Medical School at UT Austin, would differentiate Austin from other communities focused on innovation. An independent entity was recommended to facilitate the co-creation of innovation initiatives and support the Innovation Zone. Such an entity, or “locomotive,” could help assure the successful launch and development of the Innovation Zone.

January 2016

Central Health Board adopts the Brackenridge Campus Master Plan.

March 2016

Following the recommendation of the Innovation Zone Working Group, Capital City Innovation, Inc. is created by anchor institutions and Founding Members: The University of Texas at Austin, Central Health and Seton Healthcare Family. Four other board members may be named from the community and Mayor Steve Adler and Travis County Judge Sarah Eckhardt will serve as Advisory Members.

The mission of Capital City Innovation is to provide for and support the creation, growth and sustainability of an Innovation Zone that enhances Austin's unique cultural, community and economic assets. A primary purpose of the Innovation Zone is to foster healthcare transformation that will serve the entire community.

June 2016

Dell Medical School will welcome its first class of students.

Spring 2017

Dell Seton Medical Center at The University of Texas will open.

Fall 2017

Redevelopment of Central Health's property will begin.